



Department of Public Health and Human Services

Senior and Long Term Care Division ♦ 2030 11th Ave., PO Box 4210 ♦ Helena, MT 59604-4210
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Steve Bullock, Governor

Richard H. Opper, Director

Date: July 15, 2016

TO: Community First Choice/Personal Assistance Service Providers
HCSB Waiver- Homemaker, Respite and Specially Trained Attendant Providers

FROM: Micky Brown, Community First Choice Program Specialist
Community Services Bureau

RE: Fiscal Year 2017 Direct Care Worker Wage Initiative

The 2015 Montana Legislature approved funding in House Bill 2 for wage initiative/bonus funding for direct care workers for state Fiscal Year (FY) 2017. The funding appropriated will provide for up to a 25 cent hourly increase in combined wages and benefits in FY 2017. The total funding appropriated for this purpose is \$753,960. The previous funding of \$968,564 and the additional funding of \$1,452,091 in the 2016/2017 biennium equals total available funding of \$2,420,655 for direct care wages in FY 2017.

The wage initiative for direct care workers will go into effect on July 1, 2016 and funding is targeted to be distributed in two phases. The first phase distribution will occur between August 2016 and December 2016 and the second phase distribution to occur between January 2017 and June 2017. The exact dates of the distribution are based on the information a provider agency documents in their application as their intended distribution date to direct care workers.

Attached are the following documents:

1. Direct Care Worker Funding Application (Word Document);
2. Part A – Bonus Distribution Form and Instructions (Excel Forms Document);
3. Part B – Wage Distribution Form and Instructions (Excel Forms Document);
4. Part C – Direct Care Worker Supplemental Form and Instructions (Excel Forms Document-This form is used to collect data as supporting documentation for Legislative funding request); and
5. Direct Care Worker Distribution Summary spreadsheet for FY 2017 for CFC/PAS and Waiver worker types.

An agency's portion of the new funding (approximately 25 cent hourly increase in combined

wages and benefits) may be used for an increase in wages or to provide bonus payments to workers. This increase will need to be documented separately from the ongoing wage distribution, if applicable.

Provider agencies have the option to use the funding in either or both forms of distribution to its workers (i.e., as a bonus payment and/or wage increase).

Providers that used their FY 2016 direct care worker funding to fund a wage increase, rather than for a bonus distribution, will have the opportunity to sustain the wage increase using their FY 2017 funding. The provider agency must provide the supporting documentation that the FY 2016 wage increase is sustained in FY 2017.

A provider agency that does not return the application by the due date of **July 29, 2016** or does not wish to participate in this funding, will not be entitled to the funds available for wage increases or bonus payments for direct care workers in this FY 2017. Please refer to the attached spreadsheet for the total annual distribution and the amount available of the FY 2017 direct care wage initiative funding.

Please carefully read and follow the application instructions. The attached application must be completed and returned with the appropriate signature and all applicable forms by the deadline provided in this letter.

Once the application and forms are received, the Department will issue the provider agency an approval letter. A provider agency is required to implement the wage initiative in a timely manner and provide its workers with funds in the form of wages and/or bonuses as identified in the application and forms that were submitted.

Please return your completed application and forms by **July 29, 2016**, to the address below.

DPHHS-SLTC – Direct Care Wage Initiative
COMMUNITY SERVICES BUREAU
PO Box 4210
Helena, MT 59604-4210

Please contact Micky Brown at (406) 444-6064 if you have specific questions concerning the direct care wage initiative or the applicable forms.